

DAILY MARKETS OVERVIEW

6 FEBRUARY 2019

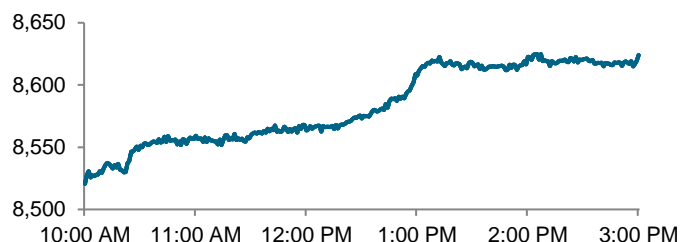
السوق السعودي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	8,624	1.2	0.7	10.2	18.4
Saudi (NOMU)	3,168	0.2	3.7	25.7	9.2
Energy	4,703	-0.2	-1.3	-3.0	19.2
Materials	5,682	1.1	0.9	8.2	18.0
Capital Goods	4,162	0.8	0.8	6.7	23.8
Com. & Prof. Svc	4,399	0.2	0.0	6.3	18.8
Transportation	3,630	0.4	0.7	4.4	19.8
Cons. Durables & Apparel	3,731	0.3	0.0	1.8	NA
Consumer Services	3,207	0.4	-0.1	8.8	NA
Media	10,545	-0.4	0.1	3.6	NA
Retailing	6,841	1.1	0.3	-0.4	32.7
Food & Staples Retailing	5,744	-0.5	-1.9	-3.4	23.4
Food & Beverages	4,481	1.5	1.2	15.2	NA
Health Care Equipment	3,755	0.1	-0.8	-0.1	20.2
Pharma, Biotech & Life Science	3,799	0.3	-0.3	-2.0	26.5
Banks	8,280	1.6	1.1	14.8	14.5
Diversified Financials	3,688	2.3	3.1	6.0	NA
Insurance	4,327	0.7	0.6	3.6	NA
Telecommunication	5,899	0.3	-0.3	9.1	18.4
Utilities	3,830	4.3	-0.1	13.7	NA
REITs	3,586	-0.1	-1.0	-1.0	NA
Real Estate	3,327	0.6	0.0	3.1	24.3

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Eastern Province Cement Co.	25.95	8.2%	32
Arabian Cement Co.	25.70	7.1%	22
Southern Province Cement Co.	43.70	5.7%	21
Saudi Cement Co.	57.50	5.3%	15
Saudi Ceramic Co.	21.18	4.9%	17

Source: Tadawul

Latest Earnings

Company	Date	Period	Q NI (SAR mn)	Y/Y %	Q EPS (SAR)	Vs. Consensus
Hail Cement Co	4-Feb	4Q18	8.5	115.5	0.09	NA
Al Rajhi Bank	3-Feb	4Q18	2,772.5	13.0	1.71	BEAT
The Saudi Investment Bank	3-Feb	4Q18	374.6	6.4	0.50	MISS
Banque Saudi Fransi	3-Feb	4Q18	268.8	-36.4	0.22	MISS
United International Transportation Co.	3-Feb	4Q18	46.5	115.3	0.65	NA

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of February 6, 2019
(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 1.2% higher at 8,624, while NOMU ended 0.2% higher at 3,168 on Tuesday. TASI traded value totaled SAR 3.0bn and averaged SAR 3.1bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 32% of the daily traded value.
- Banks increased 1.6% while Materials closed 1.1% higher. Telecom closed 0.3% higher. Utilities sector (up 4.3%) was the best performer. Among stocks, Eastern Province Cement Co. (3080/EACCO AB), Arabian Cement Co. (3010/ARCCO AB), and Southern Province Cement Co. (3050/SOCCO AB) led the gainers.
- The headline seasonally adjusted Emirates NBD KSA Purchasing Managers' Index (PMI) climbed to 56.2 in January, from 54.5 in December, its highest reading for 13 months. (Source: Trade Arabia)
- The Saudi Arabian Monetary Authority (SAMA) stated that mortgage loans provided to retail clients by banks in KSA jumped 43% Y/Y to SAR 27bn (USD 7.2bn) in 2018. (Source: Argaam)
- The Ministry of Labor and Social Development signed an agreement with Small and Medium Enterprises General Authority (Monshaat) to launch 9 new services to stimulate SMEs. Under the new initiative, up to nine immediate visas will be issued for enterprises managed by full-time entrepreneurs. (Source: Argaam)
- The Capital Market Authority (CMA) approved Aldrees Petroleum & Transport Services Co.'s (4200/ALDREES AB) request to increase its capital to SAR 600mn (USD 160mn) from SAR 500mn (USD 133mn) through issuing one bonus share for every five existing shares. (Source: Argaam)
- Arabian Pipes Co. (2200/APCO AB) announced that it has been awarded a contract worth SAR 229mn for supplying longitudinal submerged arc-welded (LSAW) pipes to Saudi Aramco. The supply of pipes will commence from 3Q19. (Source: Argaam)
- Leejam Sports Co. (1830/LEEJAM AB) will open a new outlet in Abha at a total cost of SAR 18mn (USD 4.8mn), bringing the number of Leejam's outlets locally and globally to 129. The relevant financial impact will reflect on 1Q19 results. (Source: Argaam)
- Saudi Advanced Industries Co.'s (2120/SAIC AB) 40% owned affiliate, Al Obaikan Glass Co., approved a capital hike to SAR 240mn (USD 64mn) from SAR 200mn (USD 53.3mn). (Source: Argaam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
MEFIC REIT Fund	7.69	-3.3%	2
Saudi Arabian Amiantit Co.	7.43	-2.4%	33
Saudi Steel Pipe Co.	25.55	-1.9%	67
Herfy Food Services Co.	47.50	-1.7%	6
Aldrees Petroleum & Transport Services Co.	34.10	-1.5%	20

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Al Rajhi Bank	102.80	1.4%	366
Saudi Basic Industries Corp.	123.80	0.7%	212
Alinma Bank	24.28	0.3%	193
National Commercial Bank	53.50	3.9%	100
Saudi Fisheries Co.	70.00	0.3%	95

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,543	0.5	-1.0	0.5	7.7
Abu Dhabi (ADX)	5,137	0.2	1.8	4.5	13.5
Kuwait (KSE)	5,263	0.0	0.1	1.5	18.5
Qatar (QE)	10,715	-0.1	0.0	4.0	15.6
Oman (MSM)	4,169	0.1	0.1	-3.6	8.4
Bahrain (BSE)	1,404	0.4	0.9	5.0	9.1
DJMENA Index	595	0.7	0.6	7.0	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,738	0.5	1.2	9.2	18.3
US (NASDAQ 100)	7,402	0.7	1.9	11.6	20.9
UK (FTSE 100)	7,177	2.0	2.2	6.7	16.0
Germany (DAX)	11,368	1.7	1.7	7.7	12.4
France (CAC 40)	5,083	1.7	1.3	7.5	15.6
Russia (MICEX)	2,547	0.9	1.0	7.5	5.3
Japan (Nikkei)	20,844	-0.2	0.3	4.1	14.7
Hong Kong (HSI)	27,990	0.0	0.2	8.3	10.6
South Korea (KOSPI)	2,203	0.0	0.0	8.0	10.7
China (SHCOMP)	2,618	0.0	0.0	5.0	12.3
India (NIFTY)	10,934	0.2	0.4	0.7	22.8
Brazil (IBOV)	98,311	-0.3	0.5	11.9	22.1
Turkey (BIST 100)	1,02,448	0.2	-0.5	12.2	7.3
Egypt (EGX30)	14,733	2.6	4.3	13.0	13.9
MSCI Emerging Markets	1,052	0.4	0.2	8.9	12.6
MSCI World	2,051	0.7	1.1	8.9	16.6

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	62.0	-0.8	-1.2	15.2	-8.3
Natural Gas (\$/mmbtu)	2.7	0.1	-2.6	-9.5	-10.2
Gold (\$/oz)	1,315	0.2	-0.2	2.6	-1.8
Silver (\$/oz)	15.9	-0.1	-0.4	2.3	-5.3
Platinum (\$/oz)	819	-0.3	-0.7	2.9	-17.4
Copper (\$/t)	6,217	1.1	1.7	4.5	-12.8
Zinc (\$/t)	2,742	-2.4	-1.7	8.9	-23.8
Lead (\$/mt)	2,091	-0.2	-0.1	4.1	-21.0
Wheat (\$/bu)	527	0.3	0.6	4.8	2.4
Corn (\$/bu)	381	0.4	0.7	1.5	-4.2
Sugar (\$/lb)	12.8	-0.2	1.7	6.6	-15.0

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.73	0.00	-0.07	0.00
Saudi Arabia	2.97	0.00	-0.01	0.23
UAE	2.89	0.01	0.05	0.16
Kuwait	2.56	0.00	0.25	-0.17
Qatar	2.92	0.01	0.02	0.19
Bahrain	3.95	0.00	0.00	1.22

Source: Reuters

NOTES: (1) Prices updated as of February 6, 2019 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended in the green on Tuesday. S&P 500 and NASDAQ gained 0.5% and 0.7%, respectively. Dow Jones Industrial closed 0.7% higher. In Europe, UK gained 2.0% while Germany and France increased 1.7%.
- Asian markets are trading in the green on Wednesday. China, South Korea and Hong Kong are closed for trading. Japan has gained 0.3%, while India is up 0.7% in the morning session.
- GCC markets ended mixed on Tuesday. Dubai increased 0.5% while Abu Dhabi closed 0.2% higher. Kuwait was flat while Qatar ended 0.1% lower. Oman and Bahrain closed 0.1% and 0.4% higher, respectively.
- UK's PMI Service Index for January 2019 was 50.1 (prior: 51.2, consensus: 51.0). (Source: Econoday)
- The headline seasonally adjusted Emirates NBD UAE Purchasing Managers' Index (PMI) rose to a seven-month high of 56.3 in January from 54.0 in December. The latest reading signalled a strong monthly improvement in business conditions, and one that was greater than the survey average. (Source: Arabian Business)
- Lending in the UAE rose 4.8% in December from a year earlier, based on Central Bank figures. Bank deposits increased 1% M/M in December. (Source: Zawya)
- The Bahrain Economic Development Board (EDB) stated that Bahrain's annual real GDP growth of 1.6% in 3Q18 was underpinned by expansion in the construction and manufacturing sectors, as well as increased infrastructure spending. (Source: Arabian Business)
- Dubai World Trade Centre (DWTC) announced that it has won bids to host 10 new international congresses at the venue from 2019-2022. These high-profile events are expected to deliver an estimated AED 700mn (USD 190mn) economic boost for the Emirate. (Source: Arabian Business)
- Dubai-based DP World (DPW DU) stated it has handled 71.4mn twenty-foot equivalent units (TEU) across its global portfolio of container terminals in the full year of 2018. It added that gross container volumes grew 1.9% Y/Y on a reported basis and 2.9% Y/Y on a like-for-like basis. (Source: Trade Arabia)
- Spain-based Cemengal has been awarded a new contract by the Kuwait-based Accico Cement Factory for the supply of second cement grinding station consisting of a complete cement mill workshop. (Source: Trade Arabia)
- UAE's KBR stated it has been awarded a contract by Satorp (a joint venture between Saudi Aramco and Total) to debottleneck Train 2 of its existing 440,000-barrels-per-day refinery in Jubail. (Source: Trade Arabia)

Coming Up

- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended February 1 (prior: 0.9mn barrels) will be announced today. (Source: Econoday)
- US jobless claims for the week ended February 2 (prior: 253K) will be announced tomorrow. (Source: Econoday)
- UK's 4Q18 GDP growth for January 2019 (prior: 0.6% Q/Q, 1.5% Y/Y) will be announced on February 11. (Source: Econoday)



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